

Suite 60, Level 6 Tower Building
Chatswood Village
47-53 Neridah Street
Chatswood NSW 2067
T: + 61 2 8223 3744

**F**: + 61 2 8223 3799 **E**: <u>info@zamia.com.au</u> **www.zamia.com.au** 

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Centralised Company Announcements Office ASX Limited Exchange Centre 20 Bridge Street Sydney NSW 2000

#### **EXPLORATION AND STRATEGIC PARTNER UPDATE**

Zamia Metals Limited (ASX: ZGM), through its wholly owned subsidiary Zamia Resources Pty Ltd, continues to explore for gold and copper in the Clermont district of central Queensland.

### **Planned Drilling in Anthony Project Area**

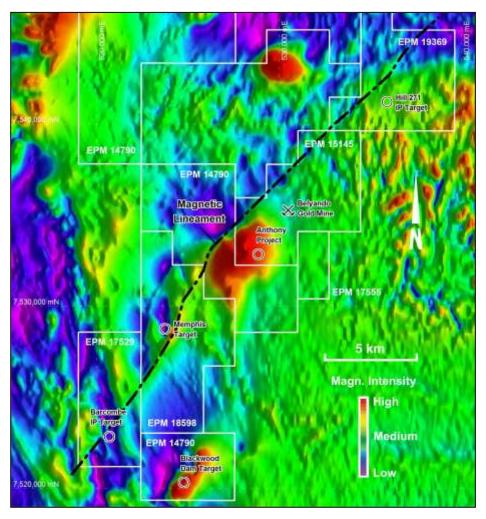
Zamia is planning a drilling program designed to evaluate the results of a recent Induced Polarisation (IP) study covering the Anthony Molybdenum Project. The IP results were announced to the market on 20 November 2013. Details of the Anthony porphyry-style molybdenum deposit and its current mineral resource (ASX: ZGM 15 March 2012) are provided in Zamia's 2013 Annual Report. In the first half of 2014, the aim of the planned drilling is to test for high-grade extensions of the Anthony resource, as well as potential Cu-Au-Mo mineralisation within the porphyry system, guided by the results of the IP survey.

The presence of the intrusion related Belyando gold deposit located less than 3 kilometres north-east of the Anthony Project has encouraged Zamia to continue exploring for gold and copper in the vicinity of the molybdenum resource. Regional geophysical data suggests that a significant geological structure, trending in a north-east to south-west direction, passes through the Anthony and Belyando area (Figure 1). This structure may control the local emplacement of intrusive rocks with the potential to host further porphyry related gold and base metal mineralisation.

# **Regional Exploration**

Over the past years, Zamia has established a number of geophysical exploration targets prospective for porphyry-style and intrusion-related mineralisation on EPM 14790 (Mazeppa), EPM 17529 (Barcombe), EPM 19369 (Amaroo South), EPM 18598 (Cairo) and EPM 17488 (Mistake Creek) (see Figure 1). Details of these exploration targets have been previously discussed in Zamia's 2013 Annual Report and recent Quarterly Reports (ASX: ZGM 30 October 2013 and 31 January 2014). Zamia is planning to continue exploration of these targets in 2014, using a combination of IP geophysics and selective drilling to test the potential for economic mineralisation.

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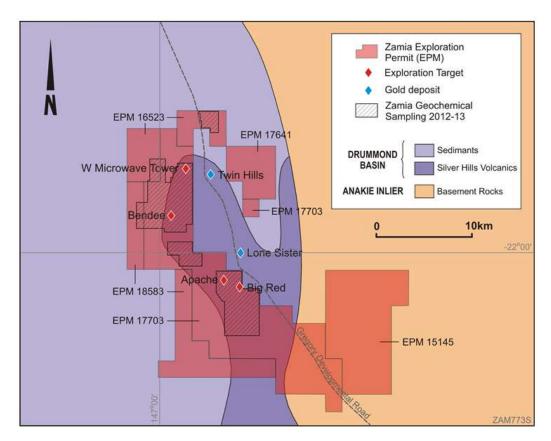


**Figure 1.** Zamia Exploration Permits (EPM; as of January 2014) and Exploration Targets shown on aero-magnetic data (Geological Survey of Queensland digital geophysical data, 400m line-spacing, VIAS filter). Black stippled line highlights a pronounced magnetic lineament, which is proposed to control local emplacement of intrusive rocks and potential related mineralisation. Details of the Exploration Targets shown are discussed in previous Zamia releases: Anthony Project (2012 and 2013 Annual Reports); Hill 271, Blackwood Dam and Memphis Targets (2013 Annual Report; ASX: ZGM 31 January 2014); Barcombe Target (2012 Annual Report; ASX: ZGM 30 December 2012 and 7 June 2012). Coordinates given are MGA94, Zone 55S.

## **Tenements near Twin Hills**

Zamia holds four exploration tenements surrounding the now closed Twin Hills (309) gold-silver mine (Evolution Mining), located approximately 120 kilometres north-west of Clermont (Figure 2). The largest of these tenements, EPM 17703 (Disney), contains several historic low sulphidation epithermal-style gold and silver prospects exhibiting anomalous surface geochemistry, as well as lithologies common in epithermal environments, such as sinter and hydrothermal veins and breccias. Details of these prospects including drilling results have been discussed by previous explorers (ASX: BMO 29 April 2005, 29 July 2005, 26 October 2005, 31 July 2006). Zamia has inspected established targets in the field and undertaken significant surface geochemical sampling in 2012-13. Details and results of this work have been discussed in previous releases to the market (ASX: ZGM 31 January 2013, 30 April 2013, 30 July 2013, 30 October 2013 and 31 January 2014). Zamia plans to continue its exploration efforts on the tenement in 2014, and is intending to utilise a combination of low-level magnetics, IP and drilling to test the economic potential of several historic and new exploration targets.

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**Figure 2.** Zamia Exploration Permits (as of January 2014), known gold deposits and historic exploration targets on a geological sketch map of the Twin Hills area. Hatched polygons show the areas covered by Zamia soil sampling in 2012-13. Coordinates given are WGS84.

### **Strategic Partner Activities**

It is Zamia's ongoing strategy to maintain its own exploration work while teaming with potential joint venture (JV) and strategic partners to carry out exploration work on some of Zamia's tenements.

The Company has been maintaining contact with potential JV and strategic partners and started negotiations with the Inner Mongolia Geology and Mineral Products (Group) Co. Ltd ('IM Group'), a Chinese state-owned enterprise. A confidentiality agreement (CA) has been signed with IM Group, which is primarily engaged in geophysical surveying, as well as the exploration, evaluation and development of mineral resources in China.

Richard Keevers

Chairman, Zamia Metals Limited

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# **Competent Person**

Mr Richard Keevers, MAIG FAusIMM, Chairman and a Director of Zamia Metals Limited, compiled the geological technical aspects of this report. He has sufficient experience to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Keevers consents to the inclusion of the matters in the form and context in which they appear and takes responsibility for data quality.

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